

## THE ECONOMY OF INDO-CHINA

Indies they now represent two-fifths of the facia-  
planted land in the  
world. Their strong position makes any restriction of  
output a very  
business, for no matter how low the price of rubber  
may fall, if  
the native planter can still sell it at all, he will  
continue to pknt *hevea*  
because it is much less trouble than rice. THs does not  
mean, however,  
these crops are mutually exclusive. Three years of  
depression have  
created a vicious and confused struggle for survival.  
All the rubber  
companies were threatened with indefinite  
production at a loss, and  
with an exhaustion of their capital. The situation  
became so bad that  
natives replaced *hevea* with banana trees, which would  
give them  
at least the assurance of  
nourishment.

Indo-Chinese rubber planters enjoy a privileged  
position in the  
world—state aid in both the colony and France, while  
the governments  
of Ceylon, Malaya, and the Dutch East Indies  
impassively witness the  
tgonies of their planters. It is interesting to note that  
the colonists  
who are loudest in their criticism of the evils of *etatisme*  
are the first to  
plod for state aid in time of trouble. The government  
granted tax  
exemptions and reduced the export tax, but the bad  
side of its pater-  
nalism is the cultivation of a careless dependency. A  
policy of drastic  
economy and cost prices pared to the bone can only be  
forced on the  
planters when they must depend on their own efforts  
for survival. In  
Irido-China the large proportion of small or middle-  
sized property is a  
cause for anxiety. The government cannot indefinitely  
continue to assure  
salvation to its rubber planters. It might also be better  
for them if their  
activities were co-ordinated and concentrated. The  
almost insuperable  
drawback to such a solution is the attitude of many of

the                                  planters                                  who  
apparently do not appreciate the gravity of the  
situation,                                  but                                  continue  
their peevish demands for aid.

Hie great lack is a rubber policy, and this is the  
responsibility                                  of  
government and planters alike. Neither of them has  
undertaken                                  a                                  con-  
sistent study, research, or experimentation, and such  
insouciance                                  is  
conspicuous when 'Compared with the patient  
investigations                                  of                                  Dutch  
tad English planters who have organized to facilitate  
their work.

The Saigon Syndicate of Rubber Planters is a group  
of                                  individual  
proprietors in which the big rubber companies have no  
representatives  
in spite of the fact that their concessions equal half of  
the                                  total                                  *hevea*  
surface under cultivation. 'The smaE planters recognize  
the                                  importance  
of this omission, but **fear** to accept what might  
become                                  an                                  onerous  
tutelage by the big financial interests. In their turn the  
large                                  companies  
equally **fear** that their interests might not be wholly  
harmonious. They